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This document is an English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

Auditor's report to the members of Czech British School, s.r.o.

We have audited the accompanying financial statements of Czech British School, s.r.o., which comprise the balance sheet as of 31 August 2009, and the income statement and the cash flow statement for the 12 month period then ended, and the notes to these financial statements including a summary of significant accounting policies and other explanatory notes. Information about the company is set out in Note 1 to these financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements of Czech British School, s.r.o. in accordance with Czech accounting legislation. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the relevant guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly in all material respects the assets, liabilities and the financial position of Czech British School, s.r.o. as of 31 August 2009, and its expenses, revenues and financial performance for the 12 month period then ended in accordance with Czech accounting legislation.

Without qualifying our opinion, we draw attention to Note 13(c) to the financial statements. As at 31 August 2009 the Company recorded a negative equity of TCZK 9 222. Being the Company's shareholders, the Company's management team members plan to settle the negative equity using future profits. Accordingly, these financial statements have been prepared on a going concern basis.

Prague
15 December 2009

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